

A slab isolation system (SIS) is currently being operated at the site. The SIS is a vapor extraction system that is connected to wells with shallow screen intervals within the vadose zone and directly beneath the Site's building foundation. The SIS is operated to reduce indoor vapor intrusion from the subsurface. Based upon results presented in the *Quarterly Monitoring Report, First Quarter 2008, Former Western Chemical Facility*, dated April 15, 2008, prepared by JPR Technical Services, Inc., 27 contaminants were reported in soil gas vapor samples collected at the influent of the SIS. These samples represent composite values of influent concentrations from multiple wells connected to the SIS. The table below presents the maximum concentrations of the 27 contaminants that were detected since the SIS began operating in 2005:

Contaminant	Maximum Concentration Detected (µg/L)	Maximum Concentration Detected (µg/m ³)	Commercial/Industrial Land Use CHHSL (µg/m ³)
Acetone	32	32,000	---
Benzene	2.6	2,600	122
2-Butanone	1.1J	1,100J	---
Carbon Disulfide	19	19,000	---
Carbon Tetrachloride	0.16	160	84.6
Chloroform	4.5	4,500	---
1,1-Dichloroethane (1,1-DCA)	11	11,000	---
1,1-Dichloroethene (1,1-DCE)	400	400,000	---
1,2-Dichloroethane (1,2-DCA)	8.8	8,800	167
cis 1,2-Dichloroethene (cis 1,2-DCE)	0.88	880	44,400
trans 1,2-Dichloroethene (trans 1,2-DCE)	0.08	80	88,700
1,4-Dioxane	7.6J	7,600J	---
4-Ethyl-toluene	0.06	60	---
Methyl t-Butyl Ether (MTBE)	10	10,000	13,400
Methylene Chloride	140	140,000	---
Tetrachloroethene (PCE)	7,100	7,100,000	603
Tetrahydrofuran (THF)	0.98	980	---
Toluene	10	10,000	378,000
1,1,1-TCA	1,200	1,200,000	2,790,000
1,1,2-TCA	6.6	6,600	---
TCE	4,400	4,400,000	1,770
TCFM	0.32	320	---
1,1,2-Trichloro-1,2,2-Trifluoroethane (Freon 113)	230	230,000	---
1,2,4-Trimethylbenzene	0.64J	640J	---
Vinyl Chloride	2.2	2,200	44.8
o-Xylene	0.16	160	879,000
p/m-Xylene	1.5J	1,500	887,000

J Estimated value above the method detection limit, but below the reporting limit.

--- No value is available.

Detected values that exceed CHSSLs are in bold.

Soil Vapor Remediation

Except for the operation of the SIS, soil vapor remediation efforts have not begun. The impact of the SIS is limited to the approximate footprint of the Site building within the shallow vadose zone beneath the Site.

RECENT DEVELOPMENTS

Site Investigations

Our staff met with your representatives from Smith & Rendon, LLP and JPR Technical Services, Inc. on April 23, 2008. During this meeting, Regional Board staffs were given a presentation outlining off-site investigation work performed by JPR Technical Services, Inc. to delineate contamination emanating from the Site. This work was performed based upon verbal approval and comments provided by Regional Board staff to implement work described in *Work Plan; Off-Site Soil Gas Investigation, Vapor Intrusion Assessment, Former Western Chemical Facility*, dated April 2007, that was prepared by JPR Technical Services, Inc. In addition, our staff provided verbal directives to complete a self-directed investigation to determine the extent of contaminants in soil, soil gas, and groundwater.

We also met with JPR Technical Services, Inc. representatives for a technical work shop on May 1, 2008. The technical contents of these discussions are summarized in *Interim Report, Off-Site Soil and Groundwater Investigation, Former Western Chemical Facility* (dated June 1, 2008; written by JPR Technical Services, Inc.), the preparation of which was required by this Regional Board.

For soil and groundwater, the work performed has involved installing 40 soil borings from which both soil and groundwater samples were collected and analyzed. Maps presented to Regional Board staff suggest that VOCs extend at least 1,000 feet to the south of the site in groundwater, based upon samples collected from boring B41. For soil vapor, 36 soil vapor probes were installed around the building immediately north of the Site and around two buildings to the east of the site. JPR Technical Services reported that VOCs were detected in soil vapors collected from many of these offsite probes.

Pilot tests have been performed to evaluate the effectiveness of groundwater pumping, soil vapor extraction, and dual-phase extraction remediation methods. Groundwater pump testing indicated that a pump-and-treat capture zone of approximately 60 feet down-gradient and 250 feet cross-gradient may be achieved at pumping rates between 0.55 and 0.6 gallon per minute (gpm). A SVE pilot test indicated that an effective radius of influence of approximately 45 feet in soil may be achieved for SVE remediation in soil. A dual-phase extraction (DPE) pilot test indicated that DPE could more effectively remove VOCs and 1,4-Dioxane mass from both soil and groundwater than either groundwater pumping or SVE alone. The DPE testing resulted in a higher sustainable extraction rate averaging 2.1 gpm, resulting in lowered water levels allowing for simultaneous extraction of VOCs from the dewatered soil. JPR Technical Services, Inc. concluded that a single DPE well could generate a capture zone of approximately 75 to 80 feet down-gradient and 560 feet cross-gradient from the extraction well.



Concern was expressed by JPR Technical Services, Inc. over the effectiveness of traditional VOC remediation methods not having a significant impact upon the destruction of 1,4-Dioxane and other VOCs. Their June 1, 2008, report describes the use of the HiPOx™ (ozone and hydrogen peroxide combination) chemical oxidation method during a pilot test as being 99.99 percent effective in the destruction of 1,4-Dioxane. However, additional treatment may be required following HiPOx™ treatment to further reduce 1,4-Dioxane and potentially other VOC concentrations to below discharge limits.

From June 3 to June 5, 2008, JPR Technical Services, Inc. installed additional soil vapor probes at the adjacent Abbey Company property to the east of the Site. Regional Board staff inspected the soil gas probe installation work being performed on June 4, 2008. In addition, resampling of existing probes was planned at the Abbey Company property and at the Jack Cline property located at 14634 Firestone Boulevard in La Mirada. Regional Board staff agreed to postpone submittal of soil gas assessment data until after this additional soil gas data collection was completed.

Site Inspection

Our staff met with your representatives from JPR Technical Services, Inc. for a site inspection on April 25, 2008. During the site inspection, we observed that five blowers were installed within the Site building. Each of the blowers was configured so that they would transfer air from inside the building via hose ducting through a door to the exterior of the building. Several fans, vents, and blowers were installed into the roof of the building to increase ventilation and to reduce the concentrations of VOCs within the indoor work area. At the time of the inspection, one blower was observed to be operating with a torn air line, greatly reducing its effectiveness, and one blower was not operating. No sampling of indoor air spaces has been performed since the installation of the fans and blowers to evaluate their effectiveness.

FINDINGS

The extent of soil vapor, soil matrix, and groundwater contamination has not been fully defined off-site, based upon the investigative reports provided to the Regional Board and upon the April 23 through June 4, 2008, communications with your representatives. Below are some key findings:

1. Soil, soil gas, and groundwater are all impacted with VOCs in concentrations that significantly exceed regulatory standards and guidelines. These chemicals could pose a threat to human health.
2. Groundwater is first encountered at a shallow depth ranging from approximately 4 to 6 feet bgs, as of February 14, 2008.
3. Coyote Creek is approximately 850 feet east of the site. Based upon currently available data and upon the proximity of the site to Coyote Creek, the potential exists that contaminants may be impacting Coyote Creek.
4. The Los Angeles County/Orange County Border is approximately 1,600 feet south of the site and 2,400 feet east of the site. Near the site, this border also coincides with jurisdictional boundaries

between this Regional Board and the Regional Water Quality Control Board – Santa Ana Region (SARWQCB). Since VOCs appear to extend at least 1,000 feet south of the site, the potential exists that VOC contamination may cross over this jurisdictional boundary into Orange County, the City of Buena Park, and the jurisdiction of the SARWQCB.

Pursuant to Section 13267 of the California Water Code (CWC), you have been identified as a discharger by virtue of the historic use of the site by Western Chemical and Manufacturing Company, which resulted in the release of VOCs impacting the waters of the State, and your acquisition of this company in 1981. Therefore, you are hereby directed to complete the investigations to address: (a) soil vapor, (b) soil matrix, and (c) groundwater pollution, in addition to, (d) threatened pollution caused by the historic operations conducted at the Site. Please document your efforts in technical reports, which must be submitted to this Regional Board in accordance with the schedule specified below:

1. Prepare and submit an interim site investigation report documenting all soil gas-related site investigation work related to the site (including off-site locations) that has been performed to date. This report is due by **July 15, 2008**.
2. Prepare and submit an evaluation of the existing engineering controls used at the Site to mitigate VOC vapors in indoor breathing spaces. If the current system is inadequate for the protection of human health, propose revised engineering controls to achieve acceptable indoor vapor levels. This report shall include a work plan to perform semi-annual indoor air sampling at the All-Tek Inks Corporation facility at 14650 Firestone Boulevard, La Mirada, California, to monitor the effectiveness of the SIS in removing VOCs from indoor breathing spaces. The work plan shall propose sampling locations, sampling methods, and analytical methods to be performed. This document is due by **August 29, 2008**.
3. Prepare and submit a work plan to perform indoor air sampling to assess potential health hazards to existing and future tenants and occupants of nearby off-site buildings as a result of vapor intrusion from the underlying volatilization from polluted soil and groundwater. These buildings shall include:
 - Abbey Property Rentals (APR), (adjacent to All-Tek Inks)
 - Cupples Company (or current occupant), 14595 Industry Circle, La Mirada
 - Flexible Technologies (or current occupant), 14657 Industry Circle, La Mirada
 - MPIO Incorporated (or current occupant), 14701 Industry Circle, La Mirada

One work plan may be submitted describing the work to be performed at all properties or a separate work plan for each property may be submitted for each property, at your discretion. Based upon the results of these indoor air surveys and upon the results of the soil gas sampling work presented in the report due on July 15, 2008, additional properties may require indoor air sampling. You are required to include recommendations for additional indoor air sampling candidates along with the indoor air work plan(s). The work plan(s) and recommendations for additional properties requiring indoor air sampling are due by **August 29, 2008**.

4. Prepare and submit a work plan for the additional off-site assessment of soil, soil gas, and groundwater to fully delineate VOCs in these media. This work plan is due by **July 31, 2008**.
5. Prepare and submit a work plan for the installation of additional groundwater monitoring wells to delineate and facilitate the long-term monitoring of VOCs in groundwater. This work plan is due by **October 30, 2008**.

Pursuant to Section 13304 of the CWC, you shall comply with cleanup and abate the condition of soil and ground water pollution and threatened pollution caused by the release of VOCs by implementing the following actions:

6. Prepare and submit a Interim Remedial Action Plan (IRAP) for the remediation of contaminated soil and groundwater at and around where the highest concentrations of contaminants were detected, in and around the southern one-third of the Site. The interim remediation shall serve to reduce the mass of VOCs impacting the environment and to minimize further off-site migration of contaminants. The IRAP shall include a more thorough description of the methods utilized during remediation pilot testing, including the data produced to support the results achieved, than was presented in the June 1, 2008, interim report. If HiPOx™ is proposed, the IRAP shall include details of the pilot study methodology for evaluation and for additional treatments that may be necessary to achieve discharge requirements. The IRAP is due in our office by **August 29, 2008**.

Effective July 1, 2005, all reports submitted to the Regional Board must comply with the electronic submittal of information (ESI) to be submitted over the Internet, including groundwater monitoring reports, soil and/or groundwater investigation/characterization reports, remedial action plans, requests for closure, in portable document format (PDF). In addition to PDF versions of reports submitted, additional requirements for the submittal of laboratory analytical data, surveying data, water level elevation data, boring logs, and maps, also exist. An overview of the electronic reporting requirements, including links to the regulations governing them, can be found at the URL:

http://www.swrcb.ca.gov/ust/electronic_submittal/index.shtml

Based upon these requirements, the following actions apply:

7. Via the Geotracker interface described at the link above, you are required to make submittals of all required electronic data dating back to July 1, 2005, related to the site. These electronic submittals shall be made by **October 30, 2008**.
8. Required electronic data for all future reports submitted shall be uploaded via Geotracker at the time of those report submittals. You are still required to submit paper copies of all reports.

The California Business and Professions Code, Sections 6735, 7835, and 7835.1 require that engineering and geologic evaluations and judgments be performed by or under the direction of registered professionals. Please refer to the State Water Resources Control Board Resolution No. 92-49, Policies and Procedures for Investigation and Cleanup and Abatement of Discharges under CWC Section 13304 (amended on April 21, 1994 and October 2, 1996). Therefore, all work must be performed by or under



Mr. Raj Mehta
Soco West, Inc.

- 11 -

June 6, 2008

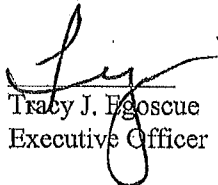
the direction of a California Professional Geologist, a California licensed specialty geologist, or a California registered civil engineer with at least five years of hydrogeologic experience. A statement is required in the report that the registered professional in responsible charge actually supervised or personally conducted all the work associated with the project.

Failure to comply with the terms or conditions of this Order may result in the imposition of civil liabilities either administratively by the Regional board or judicially by the Superior Court in accordance with Section 13350 of the CWC, and/or referral to the Attorney General of the State of California for such action as he may deem appropriate.

Pursuant to CWC Section 13320, the responsible parties may seek review of this CWC Section 13267 and 13304 letter by filing a petition with the State Water Resources Control Board (State Board). Such a petition must be sent to the State Board, located at P.O. Box 100, 1001 I Street, Sacramento, California 95814, within 30 days of receipt of this CWC Section 13267 letter.

Should you have any questions related to this project, please contact Mr. Greg Bishop at (213) 576-6727, or Mr. Dixon Oriola at (213) 576-6803 of my staff, or you can send them e-mails at: gbishop@waterboards.ca.gov or doriola@waterboards.ca.gov

Sincerely,



Tracy J. Egoscue
Executive Officer

cc: Mr. Bob Keys, All-Tex Inks Corporation
Ms. Debra Lee, Cal/OSHA
Ms. Ann Sturdivant, SARWQCB
Mr. Asadour Terterian, Caltrans District 7, Office of Design, Branch A
Mr. Mike Milhifer, City of La Mirada, Department of Public Works
Mr. Marlin Munoz, City of La Mirada, Department of Public Works
Mr. Ted Johnson, Water Replenishment District of Southern California
Mr. Raj Mehta, Soco West, Inc., c/o Brilliant National Services, Inc.
Ms. Diane R. Smith, Esq., Smith & Rendon, LLC
Ms. Maxy Rush Otuteye, Esq., Smith & Rendon, LLC
Mr. Gary Boettcher, JPR Technical Services, Inc.
Mr. Ted Koelsch, JPR Technical Services, Inc.

California Environmental Protection Agency



Our mission is to preserve and enhance the quality of California's water resources for the benefit of present and future generations.

Exhibit C

COUNTY OF LOS ANGELES
DEPARTMENT OF COUNTY ENGINEER
PROJECT PLANNING AND POLLUTION CONTROL DIVISION

INVESTIGATION REPORT

Complainant CAPTAIN SOTRO Date 11-8-73
Address LA. CO. FIRE DEPT. 13717 ARTESIA BLVD Telephone 926-1511
Firm Name WESTERN CHEMICAL & MFG. CO. I-File NONE File No. _____
Operations Address 14650 FIRESTONE BLVD, LA MIRADA
Nature of complaint (violation) WATER & CHEMICALS ON GROUND AT
REAR OF BUILDING

Date(s) of occurrence 11-3-73
Complaint received by RONNA ZAGON Referred to CARL SLOSER
Assigned to DAVE LOATO Instructions INVESTIGATE & REPORT
Date assigned 11-8-73

Date of correction 11-9-73 Cleanup measures WASTE WATER TO BE
PUMPED INTO 55 GALLON DRUMS & HAULED AWAY TO LEGAL DISPOSAL SITE.
Corrective measures THIS COMPANY MUST SUBMIT PLANS & INDUSTRIAL
WASTE DISPOSAL PERMIT APPLICATION FOR REVIEW AND APPROVAL
BY THIS OFFICE BEFORE ANY INDUSTRIAL WASTE DISCHARGE
WILL BE ALLOWED

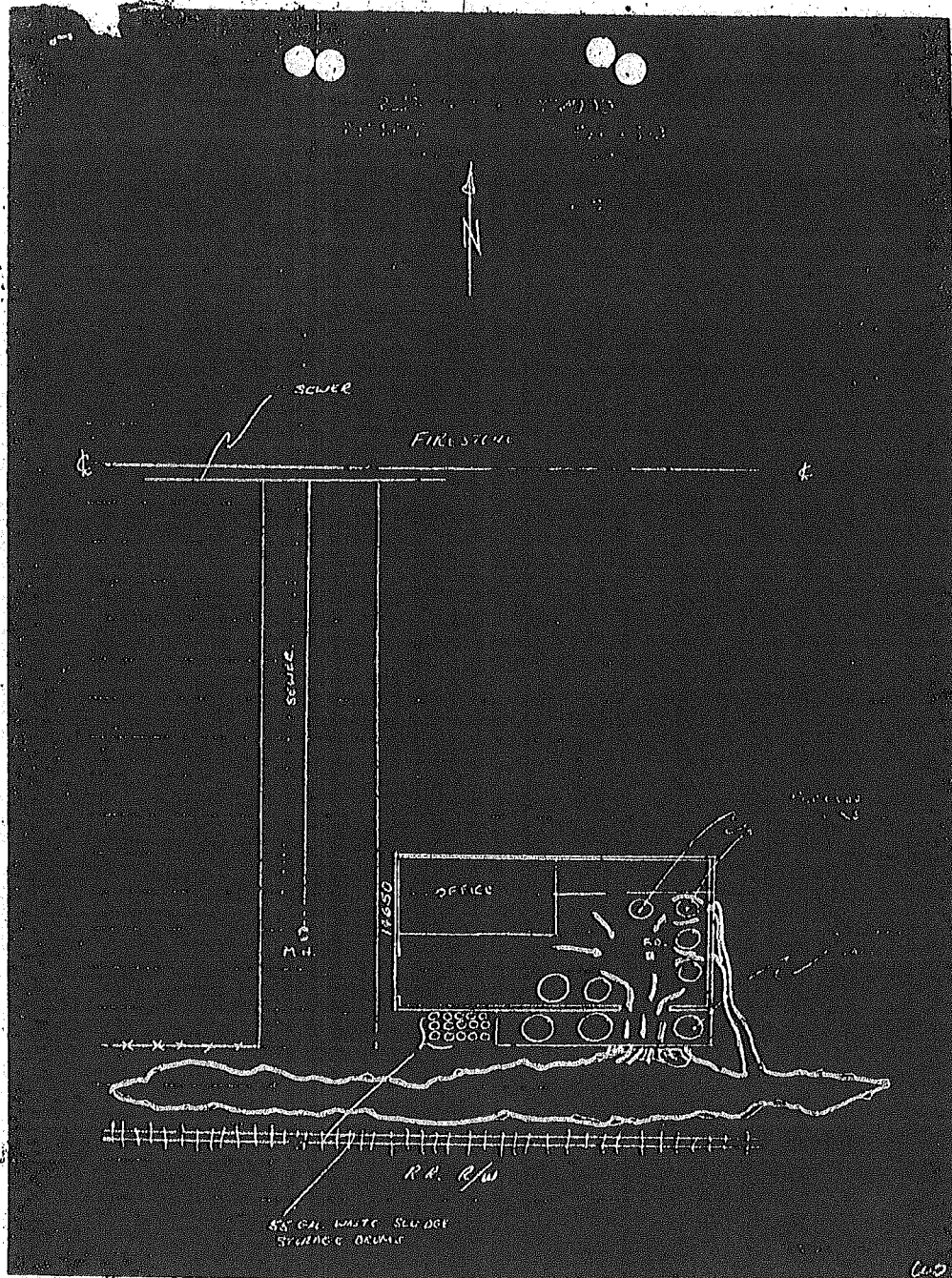
Preventive measures ALL FLOOR & TANK WASHDOWN TO BE DISCONTINUED
UNTIL AN INDUSTRIAL WASTE PERMIT IS ISSUED.

Comments THIS COMPANY REQUIRES AN I.W. PERMIT
(SEE ATTACHED SKETCH & REPORT)

Follow-up action A FOLLOW-UP INSPECTION WILL BE MADE

Contact 3270 E. WASHINGTON BLVD, L.A.
KEN RUDD Title PLANT MGR Telephone 328-0191
Investigator Dave Loato Investigation Date 11-8-73

cp 8
3/73



COUNTY OF LOS ANGELES
DEPARTMENT OF COUNTY ENGINEER
PROJECT PLANNING AND POLLUTION CONTROL DIVISION

INSPECTOR'S REPORT

TO: CARL STOBBERG DATE: 11-8-73

FROM: DAVE LOGATO FILE: COMPLAINT & VIOLATION

INDUSTRY: WESTERN CHEMICAL & MFG CO.
14650 FIRESTONE BLVD. LA MITA, CA

REPORT: _____

AS PER YOUR INSTRUCTIONS, I INVESTIGATED
A COMPLAINT OF WATER & CHEMICALS PONDING AT
PROPERTY LOCATED AT 14650 FIRESTONE BLVD.

IT WAS OBSERVED THAT THIS PONDING DOES EXIST.
I CONTACTED MR. ART ZONIGA (EMPLOYEE)
OF ABOVE COMPANY AND DETERMINED THAT THE PONDING
WATER & CHEMICAL RESIDUE RESULTS FROM FLOOR & TANK
WASHDOWN.

I ISSUED A NOTICE TO CLEAN UP THE PONDING
WASTEWATER.

THIS COMPANY RECLAIMS ALL TYPES OF
INDUSTRIAL SOLVENTS.

THE INDUSTRIAL WASTE IS COMPOSED OF FLOOR
& TANK WASHDOWN WHICH IS ALLOWED TO FLOW TO GROUND
SURFACE ALONG R.R. RIGHT-OF-WAY, AND SOLVENT RECLAIM
SLUDGE WHICH IS PUMPED TO 55 GALLON DRUMS TO BE
STORED & HAULED.

THIS COMPANY REQUIRES AN I.W. PERMIT AND
WILL SUBMIT ALL NECESSARY DATA TO OBTAIN SUCH PERMIT.

7016501-15-CE 680-3-70

DB

Exhibit D

DAVID SAMSON
ATTORNEY GENERAL OF NEW JERSEY
R. J. Hughes Justice Complex
25 Market Street
PO Box 093
Trenton, New Jersey 08625-0093
Attorney for Plaintiffs

By: Daisy C. Abel
Deputy Attorney General
(609) 984-5016

SUPERIOR COURT BERGEN COUNTY
FILED

APR 22 2002


DEPUTY CLERK

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION - BERGEN COUNTY
DOCKET NO.

ber L-3382-02

NEW JERSEY DEPARTMENT OF :
ENVIRONMENTAL PROTECTION, and :
ACTING ADMINISTRATOR, :
NEW JERSEY SPILL :
COMPENSATION FUND, :
Plaintiffs, :

Civil Action

v. :

SPECIAL ENVIRONMENTAL CASE

COMPLAINT

TECT, INC., ALACER, INC., :
JAMES WARREN PATRICK, a/k/a :
J.W. PATRICK, a/k/a/ :
JAY PATRICK, INDIVIDUALLY :
and AS PRINCIPAL OFFICER OF :
TECT, INC. and ALACER, INC., :
Defendants. :

Plaintiffs New Jersey Department of Environmental
Protection ("NJDEP" or the "Department"), and the Acting
Administrator, New Jersey Spill Compensation Fund
("Administrator"), having their principal offices at 401 East State
Street in the City of Trenton, County of Mercer, State of New
Jersey, by way of Complaint against the above-named defendants,
say:

STATEMENT OF THE CASE

1. This is a civil action brought pursuant to the Spill Compensation and Control Act (the "Spill Act"), N.J.S.A. 58:10-23.11 to -23.14. Plaintiffs NJDEP and the Administrator seek to recover from the defendants, joint and severally, the cleanup and removal costs expended, and to be expended, in connection with the discharge of hazardous substances at the site located at 254 Livingston Street, Northvale, New Jersey (the "TECT Site" or the "Site"). Plaintiffs NJDEP and the Administrator also seek to recover from the defendants, joint and severally, all damages incurred, and to be incurred, to restore or replace any natural resource of this State that has been, or may be, damaged or destroyed by the discharge of hazardous substances at the Site.

THE PARTIES

2. Plaintiff NJDEP is a principal department within the Executive Branch of the State government vested with the authority to conserve natural resources, protect the environment, prevent pollution, and protect the public health, safety, and welfare. N.J.S.A. 13:1D-9.

3. Plaintiff Administrator is the chief executive officer of the New Jersey Spill Compensation Fund ("Spill Fund" or the "Fund") and was so appointed pursuant to the Spill Act, specifically N.J.S.A. 58:10-23.11j. As chief executive officer of the Spill

Fund, plaintiff Administrator is authorized to approve and pay for any cleanup and removal costs incurred by plaintiff NJDEP, N.J.S.A. 58:10-23.11f.c. and d.; to certify the amount of any claim to be paid from the Spill Fund, N.J.S.A. 58:10-23.11j.d; and to seek satisfaction of all costs and damages paid from the Fund, N.J.S.A. 58:10-23.11q.

4. Defendant TECT, Inc. ("TECT"), was a corporation, now defunct, organized in 1949 under the laws of the State of New Jersey. Its last known principal place of business in the State was located at 254 Livingston Street, in the Borough of Northvale, County of Bergen. From the mid-1960s to sometime in 1972, TECT also operated a branch facility in La Mirada, California (the "California facility").

5. Defendant James Warren Patrick, a/k/a/ J.W. Patrick, a/k/a/ Jay Patrick ("Patrick") is an individual whose dwelling or usual place of abode is 21222 Hillgate Circle, Trabuco Canyon, California 92679.

6. Defendant Alacer, Inc. ("Alacer") is a corporation which was organized under the laws of the State of California in April 1972. Its principal place of business is located at 19631 Pauling, Foothill Ranch, California 92610.

7. Each defendant is a "person" within the meaning of N.J.S.A. 58:10-23.11b.

THE SITE

8. The TECT Site comprises approximately 2.25 acres of land, located at 254 Livingston Street, Northvale, Bergen County, and all other areas where any hazardous substances, as defined in N.J.S.A. 58:10-23.11b, have come to be located. This property is also known and designated as Block 303, Lot 5, on the Tax Map of the Borough of Northvale (hereafter, the "Borough").

9. Of the structures erected on the Site, there remains a single two-story cement block building. Commercial and industrial activities were continuously conducted within this building and/or at the Site from 1957 until some time in the early 1990s. These industrial and commercial activities included, among others, the blending and mixing of chemical solvents for sale, the storage of such solvents, the reclamation or recycling of chemical solvents which had been previously used as industrial cleaning agents, as well as parts repair and manufacturing operations.

10. TECT was formed in this State in 1949, to carry out business as a distributor of chlorinated solvents and manufacturer of specialty chemicals.

11. By deed dated September 13, 1957, defendant TECT took title to the Site and therein continuously carried out its business until some time in 1972.

12. By petition filed in the United States District Court for the District of New Jersey on January 27, 1972, James Warren

Patrick, a/k/a/ J.W. Patrick, a/k/a/ Jay Patrick, and TECT, Inc., respectively, filed for creditor protection under the Bankruptcy Act. On information and belief, the Orders of Discharge were entered on June 5, 1972. The Orders closing the estates in bankruptcy for TECT and Patrick were filed on October 28, 1976 and October 22, 1977, respectively.

13. On November 14, 1972, title to the Site passed to the U.S. Administrator of the U.S. Small Business Administration (the "Administrator") by sheriff's sale in satisfaction of a judgment of foreclosure entered against the property on June 12, 1972.

14. By deed dated February 13, 1973, Danzig Holdings, Inc., a then-New Jersey corporation, incorporated in February 1973, took title to the Site from the Administrator for \$250,000. On November 7, 1974 Danzig Holdings, Inc. filed a certificate of Liquidation and Dissolution with the New Jersey Secretary of State.

15. By deed dated May 13, 1974, Danzig Holdings, Inc. transferred title to the Site to Stanley W. Danzig and his wife, Sylvia Danzig. On May 6, 1982, Sylvia Danzig conveyed title to the Site to herself and her adult children, Diana and Kevin Danzig (hereafter, collectively, the "Danzigs") and, thereafter, by a "Correctory Deed" dated April 19, 1983, Sylvia Danzig re-conveyed her interest in the Site to Diana and Kevin Danzig, but retained a life estate in the premises.

16. In July 1987, Sylvia Danzig leased the Site to The Danzig Floor Machine Corporation ("Floor Machine"), formerly known as The Stanley Floor Machine Corporation, a now defunct New Jersey corporation incorporated on March 25, 1959. Floor Machine's purpose for leasing the Site was to carry out its business as a manufacturer, repairer, and refurbisher of floor polishing machines and related items. The Site was continuously occupied by Floor Machine from the mid 1970s until the early 1990s.

17. On October 4, 1989, the Danzigs extended the term of the 1987 lease for two additional two-year terms, one retroactive to 1989, and the other, prospective to 1991. On the same day, the Danzigs assigned the lease proceeds as collateral for a loan from the Midatlantic National Bank/North, a then-national banking corporation.

18. NJDEP first became aware of TECT's operations at the Site some time in May or June 1982, when NJDEP received information that a former TECT employee alleged having witnessed the burial of 100 drums of chemicals at the Site.

19. In or about June 1982 NJDEP began investigating the allegations that drums of hazardous substances had been buried and chemical waste had been improperly stored at the Site some time in the late 1960s or early 1970s.

20. In May 1985, the NJDEP received a complaint from the Northvale Fire Chief regarding the alleged burial of drums

containing trichloroethylene ("TCE") in the area behind the building at the TECT Site.

21. In December 1986, NJDEP conducted a limited soil gas survey, the results of which showed that the levels of contaminated vapors in the soils in the eastern portion of the Site exceeded background levels.

22. In January 1987, NJDEP collected six soil samples at the Site. The sample analysis showed elevated levels of contamination. Specifically, the samples showed concentrations of, among others, TCE, polychlorinated biphenyls ("PCBs"), tetrachloroethylene ("PCE" or "PERC"), 1,1,1-Trichloroethane ("TCA"), and toluene.

23. Some time in March 1988, during a field inspection, the plant manager at Floor Machine pointed out three underground storage tanks on the Site to the NJDEP. In addition, a NJDEP geologist noted that an area on the rear left side of the building was devoid of grass and was covered with gravel material.

24. On July 10, 1989, NJDEP issued a Notice of Violation ("NOV") to Floor Machine, the then-owner of the Site. Pursuant to the NOV, NJDEP directed Floor Machine to conduct a remedial investigation to delineate the extent of the contamination at the Site. Through its attorney, Floor Machine refused to comply with the NOV and thereafter denied NJDEP access to the Site.

25. By judgment entered June 6, 1998, the Borough of Northvale (hereafter, the "Borough") took title to the Site by

foreclosure for non-payment of taxes. In October 1998, the Borough and the NJDEP executed a Memorandum of Agreement (the "MOA") with the intent to determine the environmental conditions present at the Site and, consequently, the type and extent of cleanup required. Pursuant to the MOA, the Borough was to perform a Preliminary Assessment and Site Investigation (the "PA/SI") of the site. In connection therewith, the Borough hired Jacobs Environmental, Inc., an engineering consulting firm, to perform the PA/SI studies.

26. In the course of its investigations, Jacobs Environmental identified several portions of the Site's soil and groundwater that were contaminated by pollution (the "areas of concern").

27. The groundwater, located at the Site 20 feet below grade, was sampled and the results revealed contamination in excess of remediation standards.

28. The soil at the Site was sampled and the results revealed a suspected area of buried drums in the eastern portion of the property. Also found at the premises were four underground storage tanks, general debris, dumpsters containing debris, and containers ranging from one gallon to 55-gallon capacity.

29. In March of 1999, Jacobs Environmental engaged a subcontractor, EnviroPhysics, to perform a subsurface geophysical investigation. EnviroPhysics's investigation disclosed the presence of buried drums and/or small tanks in the eastern portion

of the Site. Subsequent investigations by Jacobs Environmental confirmed the presence of buried drums throughout this area.

30. On four occasions during July 2000, NJDEP collected samples from the groundwater monitoring wells installed at the Site. The sample analysis showed elevated levels of volatile organic compounds. Specifically, among others, these samples showed concentrations of TCA, 1,1,2,2-Tetrachloroethane, 1,1-Dichloroethane, 1,1-Dichloroethene, Methylene Chloride, and Tetrachloroethane.

31. As of October 2000, 750 drums had been excavated from the Site.

32. On November 1, 2000, NJDEP issued a directive to TECT and Patrick ("Directive"), pursuant to N.J.S.A. 58:10-23.11f.a, for the cleanup and removal of the discharges at the Site.

33. By letter from counsel dated November 10, 2000, Patrick refused to comply with the Directive, thus requiring the Borough, with NJDEP oversight, to perform the remedial action selected for the Site using public funds. The remedial action is still ongoing.

34. Some time in January 2002, two additional underground storage tanks containing hazardous substances, including a significant concentration of PCBs, were discovered at the Site. Because the newly discovered tanks were found to be leaking, they

posed an immediate threat to human health and the environment and, thus, were removed pursuant to an emergency response action.

35. As of December 15, 2000, plaintiffs have incurred both direct and indirect costs in excess of \$2,010,616.50 in connection with the Site.

GENERAL ALLEGATIONS

36. Pursuant to N.J.S.A. 58:10-23.11u.a(1)(a) and N.J.S.A. 58:10-23.11u.b, plaintiff NJDEP may bring an action in the Superior Court for the costs of any investigation, cleanup or removal, including the reasonable costs of preparing and successfully litigating the action, N.J.S.A. 58:10-23.11u.b(2); the costs of restoring or replacing, where practicable, any natural resource damaged or destroyed by a discharge, N.J.S.A. 58:10-23.11u.b(4); and for any other costs plaintiff NJDEP incurs under the Spill Act, N.J.S.A. 58:10-23.11u.b(5).

37. Pursuant to N.J.S.A. 58:10-23.11q, plaintiff Administrator is authorized to bring an action in the Superior Court for any unreimbursed costs or damages paid from the Spill Fund. In any such actions, the Administrator need prove only that an unlawful discharge occurred that was the responsibility of the discharger or other responsible party.

38. Pursuant to N.J.S.A. 58:10-23.11f.b(3), a local unit of government, as part of an emergency response action and with the

approval of the NJDEP, may clean up and remove or arrange for the cleanup and removal of any hazardous substances that has been discharged prior to the effective date of the Spill Act.

39. From 1957 through some time in the early 1970s, materials that were, or contained, "hazardous substances," as defined in N.J.S.A. 58:10-23.11b, were "discharged" at the Site within the meaning of N.J.S.A. 58:10-23.11b and N.J.S.A. 58:10-23.11f.a(1) and in direct violation of N.J.S.A. 58:10-23.11c.

40. From 1957 through some time in the early 1970s, materials that were, or contained, "hazardous substances," as defined in N.J.S.A. 58:10-23.11b, were "discharged" at the Site within the meaning of N.J.S.A. 58:10-23.11b and N.J.S.A. 58:10-23.11f.b(3).

41. From 1957 through some time in the early 1970s, materials that were, or contained, "hazardous substances," as defined in N.J.S.A. 58:10-23.11b, were not satisfactorily stored or contained at the site within the meaning of N.J.S.A. 58:10-23.11f.b(2).

42. From 1998, through the present, the Borough has undertaken to remediate the Site pursuant to N.J.S.A. 58:10-23.11f.a and N.J.A.C. 7:26E.

43. During the remedial investigation, the Borough's environmental consultants, with oversight by plaintiff NJDEP, investigated the nature and extent of the contamination, and selected the most appropriate remediation for the Site to protect the public health and safety and the environment.

44. The costs plaintiffs NJDEP and Administrator have incurred, and will incur, for the TECT Site are "cleanup and removal costs" within the meaning of N.J.S.A. 58:10-23.11b.

FIRST COUNT

45. Plaintiffs NJDEP and Administrator repeat each and every allegation of paragraphs 1 through 44 above as though fully set forth in its entirety herein.

46. From May 1957 through some time in 1972, defendant TECT was engaged in the business of purchasing, storing, blending, and distributing chemical solvents for sale, including, among others, PCB, PCE, 1,1,1-Trichloroethane, Methylene Chloride, and Trichloroethylene.

47. PCB, PCE, 1,1,1-Trichloroethane, Methylene Chloride, and Trichloroethylene are hazardous substances as defined in N.J.S.A. 58:10-23.11b, and were among the hazardous substances found at the TECT Site.

48. TECT was engaged in the business of transporting chlorinated solvents. In the ordinary course of its business, TECT transported both fresh product to its clients and "used" product from the clients to the TECT Site for the ostensible purpose of recycling through reclamation of usable product and disposal of waste product. The used solvents transported to the TECT Site

either were or contained hazardous substances, as defined in N.J.S.A. 58:10-23.11b.

49. In addition, TECT was engaged in the business of recycling of solvents by accepting client waste-product that had been used as cleaning agents in industrial processes for the ostensible purpose of reclamation and/or disposal. In truth and in fact TECT's disposal system consisted of burying the chemical soup in drums at the TECT Site. These chemicals either were or contained hazardous substances, as defined in N.J.S.A. 58:10-23.11b.

50. As a result of its operations at the Site, and in furtherance of its commercial activities as a distributor, transporter, and recycler of chemical solvents, TECT transported, handled, blended and/or processed materials which, in and of themselves were, hazardous substances, certain of which were discharged at the Site within the meaning of N.J.S.A. 58:10-23.11b and N.J.S.A. 58:10-23.11f.b(3).

51. As a result of its operations at the Site, and in furtherance of its commercial activities as a distributor, transporter, and recycler of chemical solvents, TECT improperly stored hazardous substances, certain of which were discharged at the Site within the meaning of N.J.S.A. 58:10-23.11b and N.J.S.A. 58:10-23.11f.b(3).

52. At all times relevant in this action, in the ordinary course of its business, and in furtherance of its commercial activities as a distributor and recycler of chemical solvents, TECT owned and/or leased several storage tanks, drums, and barrels similar to the ones excavated from the Site. These storage tanks, drums, and barrels were used to store or contain hazardous substances, certain of which were discharged at the Site within the meaning of N.J.S.A. 58:10-23.11b and N.J.S.A. 58:10-23.11f.b(3).

53. From May 1957 through some time in 1972, defendant TECT owned the real property comprising the Site, together with all appurtenances thereon. During this time, materials were discharged at the TECT Site that were, or contained, hazardous substances within the meaning of N.J.S.A. 58:10-23.11b and N.J.S.A. 58:10-23.11f.b(3).

54. During some or all of the period of TECT's operation and/or ownership of the Site, some or all of these hazardous substances, including the waste by-product, were not properly stored, contained, or disposed at the Site, resulting in discharges onto the lands and waters of the State as set forth in N.J.S.A. 58:10-23.11b and N.J.S.A. 58:10-23.11f.a(1) or -23.11f.b(2).

55. Defendant TECT is a "person" who discharged hazardous substances at the Site, within the meaning of N.J.S.A. 58:10-23.11b and N.J.S.A. 58:10-23.11g.c(1).